

**Self-Gov - Real Estate Commission
Real Estate Regulation**

Description:

Idaho law (Chapter 20, Title 54, Idaho Code) charges the Idaho Real Estate Commission (Commission) with administering and enforcing the license law for real estate brokers, salespersons and certain business entities and with administering the Idaho Subdivided Lands Disposition Act (Chapter 18, Title 55, Idaho Code). To meet these mandates, the Commission seeks to protect the public interest, which includes both the interests of the regulated licensees, such as real estate brokers, associate brokers, salespersons, real estate corporations, real estate limited liability companies, real estate partnerships, real estate limited partnerships and real estate limited liability partnerships and the interests of prospective (or otherwise) buyers and sellers of the services of these regulated licensees.

Major Functions and Targeted Performance Standard(s) for Each Function:

1. To consistently review Idaho Real Estate License Law and Rules for reasonableness and fairness.
 - A. Publish and distribute Idaho Real Estate License Laws and Rules.

Actual Results			
1998	1999	2000	2001
1,500 copies	3,600 copies	5,000 copies	4,000 copies
Projected Results			
2002	2003	2004	2005
2,000 copies	2,000 copies	2,000 copies	2,500 copies

2. To provide a high quality, prelicense examination designed to measure minimum competencies.
 - A. Cooperate and participate in item writing workshops to provide candidates with a relevant prelicense exam to test competency.

Actual Results			
1998	1999	2000	2001
3	2	1	1
Projected Results			
2002	2003	2004	2005
1	1	1	1

3. To review regulated business activities and practices.
 - A. Conduct office audits and inspections as warranted.

Actual Results			
1998	1999	2000	2001
260 audits	330 audits	220 audits	10 audits
Projected Results			
2002	2003	2004	2005
250 audits	250 audits	250 audits	250 audits

- B. Conduct business conduct and office operations courses.

Actual Results			
1998	1999	2000	2001
5	11	4	0
Projected Results			
2002	2003	2004	2005
4	4	4	4

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4. To provide an effective screening process of new license applications.
 A. Process fingerprints (cards) through Idaho State Police and the FBI upon receipt and track until approved or rejected by both agencies.

Actual Results			
1998	1999	2000	2001
700 cards	740 cards	770 cards	810 cards
Projected Results			
2002	2003	2004	2005
825	850	850	850

- B. Utilize ARELLO screening services for previous disciplinary actions.

Actual Results			
1998	1999	2000	2001
890 names	830 names	790 names	680 names
Projected Results			
2002	2003	2004	2005
700 names	700 names	700 names	700 names

5. Disseminate information addressing subjects of special interest and concerns to licensees and consumers.
 A. Develop and distribute educational newsletter to all licensees semiannually together with a schedule of courses to be held during the next six months.

Actual Results			
1998	1999	2000	2001
14,000	16,300	15,000	15,000
Projected Results			
2002	2003	2004	2005
15,000	15,000	15,000	15,000

- B. Establish, upgrade and maintain Commission website with pertinent licensure and consumer information and searchable licensee base.

Actual Results			
1998	1999	2000	2001
unknown	2,500 hits	5,200 hits	10,800 hits
Projected Results			
2002	2003	2004	2005
12,000 hits	12,500 hits	13,000 hits	13,500 hits

Program Results and Effect:

The mission of the Idaho Real Estate Commission is to regulate state licensing and education of real estate brokers and sales associates and to safeguard and protect the public interest by the fair and impartial administration of the Idaho Real Estate License Law and Rules. This is achieved in part through analyzing national market and regulatory trends; through networking, collaborating, and cooperating with related industry groups; maintaining a working relationship with the Executive and Legislative branch of Idaho State Government and by disseminating current Idaho Real Estate License Law and Administrative Rules to our licensees. True professionalism in the global market of the real estate industry cannot be achieved by our licensees without a bench mark to establish and maintain minimum licensing competency.

The Commission strives to elevate the real estate industry to the highest standards possible through communication, education and the latest technology. The Idaho Education Council meets quarterly to outline recommendations for certification, monitoring, and analyzing appropriate pre-license and continuing education courses, instructors, and providers. These recommendations are presented by the IREC Education Department to our four Commissioners at their monthly meetings for final ratification and implementation. Our Education Department works continually at reviewing, analyzing, and making recommendations to maintain the quality and integrity of our programs. Ensuring the availability of capable and honest real estate providers, instructors and course materials is a public trust that the Commission accepts with the deepest sense of purpose and responsibility.

As a regulatory body, the role of the Commission is not to protect the industry or the profession that we regulate, nor to protect consumers. It is not the role of regulators to be advocates for either the profession nor the consumer. Instead, the role of the regulator is to protect the public interest. Protecting the public interest means assuring every individual's right to justice and equal opportunity. Regulators protect the public interest when they deny the right to practice to the incompetent and unscrupulous. Regulators protect the public interest when they refuse to use licensing laws to advance the interest of private trade associations. Regulators protect the public interest when they encourage free and open markets. The Commission pledges our best efforts to achieve impartiality and fairness in achieving this goal.

Through the fingerprint screening of potential licensees through the Idaho State Police and the FBI, plus the additional screening report from the Association of National License Law Officials for previous disciplinary actions, the Commission is fulfilling our responsibility to protect the public interest. Regulators also protect the public interest when we eliminate barriers that unreasonable limit entry into our field of practice. It is imperative that we administer fair and impartial application of license law standards. More and more of the functions of the Commission will be transacted through technology such as the on-line license renewal which was implemented in 2001.

The Commission will continue the customer-oriented consciousness that will ensure continuous improvement in the quality of service provided and the fulfillment of our agency mission. We envision pre-license and continuing education courses on-line will become the norm. Students educational scores will be posted directly to their account from the educational providers, whether than be the 'on-line' or 'brick and mortar' schools. Undoubtedly one of the greatest challenges will be the ability to respond to the technological changes in the industry with the limited staff and resources available to the Commission. We must continue to act in a fiscally responsible manner to generate revenue to support the necessary programs and have adequate spending authority to be prepared to respond appropriately as the industry and market change. Management remains acutely aware that the Commission's greatest resource is its people and we will continue to educate and train our staff to the best of our ability as well as monitoring the applicable employment laws for their protection.

The Commission must generate revenue to support its programs and have adequate spending authority to be prepared to respond appropriately as the industry and market change. We will continue to operate in a fiscally responsible manner and only seek revenue increases when absolutely necessary. Any revenue increases will be analyzed to ensure actual anticipated program operation costs and operation.

The Commission publishes and distributes an educational newsletter, the Real Estate, on a semi annual basis. This publication is mailed to every licensee in the state of Idaho and relays to our licensees the very

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latest nationwide trends and issues. As a service to consumers, publications such as the Investigative and Hearing Process, Agency Representation brochures, Candidate Information Bulletins, Underground Storage Tank information, Consumer Information on Buying and Selling Real Estate, is made available at our office as well as the Commission web site. Consumers as well as licensees are now able to check on the status of a licensee by accessing the searchable license base on our web page. In conjunction with the Idaho Association of REALTORS, the Idaho Housing and Finance Agency, the Governor's office and the Department of Education, a home buying education course, It's Your Move, will be used to educate our high school seniors on the real estate market.

As the regulatory agency for real estate, our office receives many consumer calls regarding real estate transactions. Often times, we are unable to assist them so must refer them to other agencies for assistance. Because of the volume of such calls, to better serve the public interest as well as to create a 'one stop shop' atmosphere, we envision the creation of the Department of Real Estate or the Department of Housing as a fully functioning umbrella self governing agency, for public protection for all aspects of real estate. We envision such entities as appraisers, escrow companies, title companies, mortgage brokers, property managers, builders, home inspectors have the potential to be regulated under this agency. The consumer deserves to be served in a more appropriate manner by an agency whose sole purpose centers around housing needs. We remain ready to work with any and all agencies to start the dialogue on this issue.

For more information contact Donna Jones at 334-3285.